



WORKING WITH THE COMMUNITY TO SAVE MONEY, ENERGY AND THE ENVIRONMENT

February 4, 2002

Ms. Jeanne Clinton
Deputy Director, Conservation and Distributed Generation
California Power Authority
901 P Street, Suite 142A
Sacramento, California 95814

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Dear Jeanne:

Congratulations on your new position. It's good to reconnect with you on another set of critical environmental policy issues.

Thanks also for providing me with the January 18 version of *Clean Growth: Clean Energy for California's Economic Future*. The draft provides a clear and thoughtful analysis of how the state could proceed to develop an environmentally and economically sustainable energy future. I would like to submit two additional elements for your consideration in the final report: community ownership; and environmental justice.

A critical weakness in California's energy market is a lack of individual and community-ownership over electricity use. This issue is not solely about "public power," but broadly relates to residents and businesses having an ability to influence the state's energy future. Large power users have the capacity to participate in curtailment programs, tailored rate schedules, and public policy forums in which energy policy is developed. Small users, particularly small commercial customers, have a much more limited ability to engage in these programs and processes. Absent a vigorous means of participating in whatever energy market emerges next, Californians are more than likely to relapse into the complacency of the past, and the state's energy crisis cycle will repeat itself yet again.

Although the report provides numerous suggestions -- including residential loan programs and bulk purchasing programs -- that could enhance individual and community ownership, few institutional approaches are detailed to "bring these initiatives home." *Community-based mechanisms, such as cooperatives, must be developed so that households, firms, and communities can participate in the energy market over the long-term.*

Likewise, although the entire state, nation, and world may be adversely affected by polluting air emissions, particular communities bear a disproportionate share of this burden. Particulate matter emissions; localized water quality degradation; and land use disruptions do substantial harm to communities in which power plants and transportation routes are located. In this respect a statewide clean energy plan should place particular emphasis on energy solutions that assist environmentally impacted communities develop into healthier places.

As you know, the San Francisco Community Power Cooperative serves the city's Bay View Hunters Point Potrero neighborhoods. This is a diverse area of Africa-, Asian- and European-Americans, generally with below-average household incomes. It is also home to two power plants, two freeways, and considerable truck traffic. The co-op hopes to help transform the community from one noted for its environmental degradation to a model of environmental and economic excellence. For example, and hopefully with the Authority's assistance, we'd like to demonstrate the cost-effectiveness of residential- and small business-based interruptible tariffs, demand reduction and real time pricing programs, energy efficient loan initiatives, and bulk purchasing of distributed generation and energy efficiency products and services.

I look forward to working with you.

Yours Truly,

A handwritten signature in black ink, appearing to read 'SM', with a stylized flourish at the end.

Steven Moss